

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W. R. Grace & Co., et al
Debtor

Case No. 01-01139 Jointly Administered
Reporting Period: January 2006

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (con't)	X	
Copies of bank statements		X	
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			Attached
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

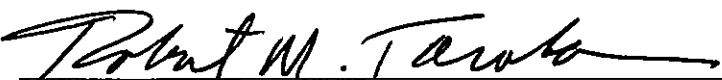
I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date



Signature of Authorized Individual*

1 March 2006

Date

Robert M. Tarola

Printed Name of Authorized Individual

Senior Vice President and
Chief Financial Officer

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

W. R. Grace & Co.
Monthly Financial Report
January 31, 2006

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Monthly Operating Report

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Bank Statements

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attached

Forward-Looking Information

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

Statement of Confidentiality

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

Monthly Operating Report

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2006

	SJP Morgan Chase Disbursement 9101013572	First Union Deposit Acct 2189500021812	First Union Payroll 2079900003815	Merrill Lynch Investment 33237352	Bank of America Lockbox 6186703107	SJP Morgan Chase Holding Acct 323223141	SJP Morgan Chase Concentration 16001257
CASH BEGINNING OF MONTH	\$ 56,221	\$ -	\$ -	\$ 198,123,905	\$ (42,064)	\$ 768,084	\$ 839,101
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES					650		
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES		2,072,747		824,885		2,458	620,891
TRANSFERS IN - NONFILING ENTITIES							11,739,891
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	200,000			25,000,000			169,871,589
MISCELLANEOUS							
TOTAL RECEIPTS	200,000	2,072,747	-	25,824,885	650	2,458	182,232,340
DISBURSEMENTS							
PAYROLL							
PAYROLL TAXES							
TRADE PAYABLES - THIRD PARTIES							1,823,588
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							186,030
TRANSFERS OUT - THIRD PARTIES	203,535						16,002,388
TRANSFERS OUT - NONFILING ENTITIES							11,085,817
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		2,034,413		87,800,000			148,451,301
MISCELLANEOUS		38,333					
TOTAL DISBURSEMENTS	203,535	2,072,746	-	87,800,000	-	-	177,349,123
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(3,535)	1	-	(42,175,315)	650	2,458	4,883,218
CASH - END OF MONTH	\$ 52,686	\$ 1	\$ -	\$ 155,948,590	\$ (41,414)	\$ 768,542	\$ 5,722,319

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2006

	Bank of America Lockbox 8188203114	Bank of America Securities LLC 22330134	First Union Concentration 2000000282172	First Union Payroll 2079900010741	First Union Party Cash 2079900005600	First Union Libby Medical 2079900005008
CASH BEGINNING OF MONTH	\$ 1,811,974	\$ 57,507,530	\$ -	\$ 11,272	\$ -	\$ -
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	47,252,081					
ACCOUNTS RECEIVABLE - INTERCOMPANY	389,710					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI						
DIP BORROWINGS						
TRANSFERS IN - THIRD PARTIES		188,867			100	
TRANSFERS IN - NONFILING ENTITIES						
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			122,400,000	17,827,121	324	88,612
MISCELLANEOUS						
TOTAL RECEIPTS	47,641,791	188,867	122,400,000	17,827,121	424	88,612
DISBURSEMENTS						
PAYROLL				11,064,209		
PAYROLL TAXES				6,388,809		
TRADE PAYABLES - THIRD PARTIES						
TRADE PAYABLES - INTERCOMPANY						
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI						
DIP PRINCIPAL REPAYMENTS						
DIP INTEREST AND USAGE FEES						
TRANSFERS OUT - THIRD PARTIES						88,612
TRANSFERS OUT - NONFILING ENTITIES						
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	47,654,538		115,402,385			
MISCELLANEOUS			8,997,835	387,373	424	
TOTAL DISBURSEMENTS	47,654,538	-	122,400,000	17,838,382	424	88,612
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(12,745)	188,867	-	(11,270)	-	-
CASH - END OF MONTH	\$ 1,799,229	\$ 57,694,398	\$ -	\$ 2	\$ -	\$ -

Note #1

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W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2006

	First Union Accts Payable 2079920005761	First Union Payroll 20799000067554	Wachovia Lockbox 1866-082535	First Union Accts payable 2079900005290	First Union Accts Payable 2079900005231	SunTrust Payroll 00000141309	PNC 24002641360	Hibernia Natl Disbursements 101301210	J.P. Morgan Chase Lockbox 304616494
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,246	\$ 24,447	\$ 10,000	\$ 108,882
RECEIPTS:									
ACCOUNTS RECEIVABLE - THIRD PARTIES			18,752,806						10,889,218
ACCOUNTS RECEIVABLE - INTERCOMPANY			3,342,480						17,518,881
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI									
DIP BORROWINGS									
TRANSFERS IN - THIRD PARTIES									
TRANSFERS IN - NONFILING ENTITIES									
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	44,448,121			2,171,291	50,870,898				
MISCELLANEOUS	7,927,004		1,241,890		3,207,839				
TOTAL RECEIPTS	52,373,125	-	24,337,275	2,171,291	54,078,535	-	-	-	28,388,097
DISBURSEMENTS:									
PAYROLL									
PAYROLL TAXES									
TRADE PAYABLES - THIRD PARTIES	(a) 52,373,125			2,171,291	54,078,535				
TRADE PAYABLES - INTERCOMPANY									
ACCOUNT SECURITIZATION									
PAYMENTS AS SERVICER FOR GRPI									
DIP PRINCIPAL REPAYMENTS									
DIP INTEREST AND USAGE FEES									
TRANSFERS OUT - THIRD PARTIES									
TRANSFERS OUT - NONFILING ENTITIES									
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			24,337,275						28,024,034
MISCELLANEOUS									
TOTAL DISBURSEMENTS	52,373,125	-	24,337,275	2,171,291	54,078,535	-	-	-	28,024,034
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)									364,063
CASH - END OF MONTH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,246	\$ 24,447	\$ 10,000	\$ 472,945

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(a) These disbursements include Libby indictment, legal, and indemnification costs of \$2,809,801.

W. R. Grace & Co. - Conn					
Schedule of Cash Receipts and Disbursements					
MOR-1					
January 2006					
	Alfred Payroll 16298957	First Union Penny Cash 2040000016900	Banco de Credito Operating Accts 1831115122058	Banco de Credito Operating Accts 1831125983172	Banco Interam de Finanzas 007000107847
CASH BEGINNING OF MONTH	\$ -	\$ 56,345	\$ 179	\$ 552,818	\$ 252
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES			7,882	155,555	-
ACCOUNTS RECEIVABLE - INTERCOMPANY			-	-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-	-	-
DIP BORROWINGS			-	-	-
TRANSFERS IN - THIRD PARTIES			265,837	50	-
TRANSFERS IN - NONFILING ENTITIES			-	-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS					
TOTAL RECEIPTS	-	-	273,820	155,805	-
DISBURSEMENTS					
PAYROLL			7,990	-	-
PAYROLL TAXES			47,338	-	-
TRADE PAYABLES - THIRD PARTIES			-	-	-
TRADE PAYABLES - INTERCOMPANY			-	-	-
ACCOUNT SECURITIZATION			-	-	-
PAYMENTS AS SERVICER FOR GRPI			-	-	-
DIP PRINCIPAL REPAYMENTS			-	-	-
DIP INTEREST AND USAGE FEES			-	-	-
TRANSFERS OUT - THIRD PARTIES			179,571	260,000	-
TRANSFERS OUT - NONFILING ENTITIES			-	-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS			21,694	21,185	2
TOTAL DISBURSEMENTS	-	-	250,590	281,185	2
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	17,229	(125,580)	(2)
CASH - END OF MONTH	\$ -	\$ 56,345	\$ 17,408	\$ 427,238	\$ 250

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W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2006

	Banco Inforam de Finanzas 7000107707	Banco Sudamer Operating Acc 10220251	Banco Sudamer Operating Acc 10220260	Cash In Transa	Cash on Hand	Other
CASH BEGINNING OF MONTH	\$ 89,488	\$ -	\$ (1)	\$ 1,727,268	\$ 44,425	\$ 247,388
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	163,151	-				
ACCOUNTS RECEIVABLE - INTERCOMPANY	-	-				
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	-				
DIP BORROWINGS	-	-				
TRANSFERS IN - THIRD PARTIES	92	-				
TRANSFERS IN - NONFILING ENTITIES	-	-				
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	-	-				
MISCELLANEOUS						
TOTAL RECEIPTS	163,243	-	-	-	-	-
DISBURSEMENTS						
PAYROLL	-	-				
PAYROLL TAXES	-	-				
TRADE PAYABLES - THIRD PARTIES	-	-				
TRADE PAYABLES - INTERCOMPANY	-	-				
ACCOUNT SECURITIZATION	-	-				
PAYMENTS AS SERVICER FOR GRPI	-	-				
DIP PRINCIPAL REPAYMENTS	-	-				
DIP INTEREST AND USAGE FEES	-	-				
TRANSFERS OUT - THIRD PARTIES	-	-		1,239,817		
TRANSFERS OUT - NONFILING ENTITIES	-	-				
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	-	-				
MISCELLANEOUS	35,193					691,665
TOTAL DISBURSEMENTS	35,193	-	-	1,239,817	-	691,665
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	128,050	-	-	(1,239,817)	-	(691,665)
CASH - END OF MONTH	\$ 197,537	\$ -	\$ (1)	\$ 487,451	\$ 44,425	\$ (444,279)

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W. R. Grace & Co. - Conn		
Schedule of Cash Receipts and Disbursements		
MOR-1		
January 2006		
	CURRENT MONTH	
	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 261,960,756	\$ -
RECEIPTS		
ACCOUNTS RECEIVABLE - THIRD PARTIES	78,201,441	
ACCOUNTS RECEIVABLE - INTERCOMPANY	21,251,071	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	
DIP BORROWINGS	-	
TRANSFERS IN - THIRD PARTIES	3,773,698	
TRANSFERS IN - NONFILING ENTITIES	11,739,891	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	432,873,954	
MISCELLANEOUS	12,376,633	
TOTAL RECEIPTS	560,216,688	-
DISBURSEMENTS		
PAYROLL	11,072,199	
PAYROLL TAXES	8,434,145	
TRADE PAYABLES - THIRD PARTIES	110,246,538	
TRADE PAYABLES - INTERCOMPANY	-	
ACCOUNT SECURITIZATION		
PAYMENTS AS SERVICER FOR GRPI	-	
DIP PRINCIPAL REPAYMENTS	-	
DIP INTEREST AND USAGE FEES	166,030	
TRANSFERS OUT - THIRD PARTIES	17,971,922	
TRANSFERS OUT - NONFILING ENTITIES	11,085,617	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	433,703,925	
MISCELLANEOUS	8,193,504	
TOTAL DISBURSEMENTS	598,894,079	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(38,677,392)	-
CASH - END OF MONTH	\$ 223,283,364	\$ -

Note #1

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W.R. Grace & Co. Schedule of Cash Receipts and Disbursements MOR-1 January 2006			
	J.P. Morgan Chase Pass Through 323881963	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	-
DIP BORROWINGS		-	-
TRANSFERS IN - THIRD PARTIES		-	-
TRANSFERS IN - NONFILING ENTITIES		-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	851,301	851,301	-
TOTAL RECEIPTS	851,301	851,301	-
DISBURSEMENTS			
PAYROLL		-	-
PAYROLL TAXES		-	-
TRADE PAYABLES - THIRD PARTIES		-	-
TRADE PAYABLES - INTERCOMPANY		-	-
ACCOUNT SECURITIZATION		-	-
PAYMENTS AS SERVICER FOR GRPI		-	-
DIP PRINCIPAL REPAYMENTS		-	-
DIP INTEREST AND USAGE FEES		-	-
TRANSFERS OUT - THIRD PARTIES		-	-
TRANSFERS OUT - NONFILING ENTITIES		-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	851,301	851,301	-
MISCELLANEOUS		-	-
TOTAL DISBURSEMENTS	851,301	851,301	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	0	0	-
CASH - END OF MONTH	\$ 0	\$ 0	\$ -

Remedium Group, Inc. Schedule of Cash Receipts and Disbursements MOR-1 January 2006					
	JP Morgan Chase Depository/Wire 323883842	JP Morgan Chase Disbursement 601831985	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ (391)	\$ (624,317)	\$ 391	\$ (624,317)	\$ -
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	-
DIP BORROWINGS				-	-
TRANSFERS IN - THIRD PARTIES			4,000	4,000	-
TRANSFERS IN - NONFILING ENTITIES				-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		851,301		851,301	-
TOTAL RECEIPTS	-	851,301	4,000	855,301	-
DISBURSEMENTS					
PAYROLL				-	-
PAYROLL TAXES				-	-
TRADE PAYABLES - THIRD PARTIES				-	-
TRADE PAYABLES - INTERCOMPANY				-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	-
DIP PRINCIPAL REPAYMENTS				-	-
DIP INTEREST AND USAGE FEES				-	-
TRANSFERS OUT - THIRD PARTIES		411,909		411,909	-
TRANSFERS OUT - NONFILING ENTITIES				-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-	-
MISCELLANEOUS				-	-
TOTAL DISBURSEMENTS	-	411,909	-	411,909	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	439,392	4,000	443,392	-
CASH - END OF MONTH	\$ (391)	\$ (184,925)	\$ 4,391	\$ (180,925)	\$ -

Darex Puerto Rico, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

January 2006

	Citibank Operating Acct. 300153011	Petty Cash	Other	Cash-in-Transit	CURRENT MONTH	
					ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 7,786,626	\$ 1,500	\$ -	\$ -	\$ 7,786,126	\$ -
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	412,378				412,378	
ACCOUNTS RECEIVABLE - INTERCOMPANY					-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					-	
DIP BORROWINGS					-	
TRANSFERS IN - THIRD PARTIES					-	
TRANSFERS IN - NONFILING ENTITIES					-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	241,596				241,596	
TOTAL RECEIPTS	653,975	-	-	-	653,975	-
DISBURSEMENTS						
PAYROLL	5,250				5,250	
PAYROLL TAXES	2,734				2,734	
TRADE PAYABLES - THIRD PARTIES	187,234				187,234	
TRADE PAYABLES - INTERCOMPANY					-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI					-	
DIP PRINCIPAL REPAYMENTS					-	
DIP INTEREST AND USAGE FEES					-	
TRANSFERS OUT - THIRD PARTIES					-	
TRANSFERS OUT - NONFILING ENTITIES					-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	241,596				241,596	
MISCELLANEOUS					-	
TOTAL DISBURSEMENTS	436,815	-	-	-	436,815	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	217,160	-	-	-	217,160	-
CASH - END OF MONTH	\$ 8,003,786	\$ 1,500	\$ -	\$ -	\$ 8,005,286	\$ -

Grace International Holdings Schedule of Cash Receipts and Disbursements MOR-1 January 2006			
	Grace International Holdings 323138524	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 21,330	\$ 21,330	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	-
DIP BORROWINGS		-	-
TRANSFERS IN - THIRD PARTIES		-	-
TRANSFERS IN - NONFILING ENTITIES		-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	-
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	-
PAYROLL TAXES		-	-
TRADE PAYABLES - THIRD PARTIES		-	-
TRADE PAYABLES - INTERCOMPANY		-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	-
DIP PRINCIPAL REPAYMENTS		-	-
DIP INTEREST AND USAGE FEES		-	-
TRANSFERS OUT - THIRD PARTIES		-	-
TRANSFERS OUT - NONFILING ENTITIES		-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	21,330	21,330	-
MISCELLANEOUS		-	-
TOTAL DISBURSEMENTS	21,330	21,330	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(21,330)	(21,330)	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

CC Partners Schedule of Cash Receipts and Disbursements MOR-1 January 2006			
	First Union Deposit Acct. 2199500031802	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	-
DIP BORROWINGS		-	-
TRANSFERS IN - THIRD PARTIES		-	-
TRANSFERS IN - NONFILING ENTITIES		-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	-
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	-
PAYROLL TAXES		-	-
TRADE PAYABLES - THIRD PARTIES		-	-
TRADE PAYABLES - INTERCOMPANY		-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	-
DIP PRINCIPAL REPAYMENTS		-	-
DIP INTEREST AND USAGE FEES		-	-
TRANSFERS OUT - THIRD PARTIES		-	-
TRANSFERS OUT - NONFILING ENTITIES		-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	-
MISCELLANEOUS		-	-
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Kootenai Development Company Schedule of Cash Receipts and Disbursements MOR-1 January 2006			
	First National Bank of Montana 1049067	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 60,288	\$ 60,288	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 60,288	\$ 60,288	\$ -

Grace Europe, Inc.			
Schedule of Cash Receipts and Disbursements			
MOR-1			
January 2006			
	Bardays Bank PLC	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Gloucester New Communities Company, Inc.
Schedule of Cash Receipts and Disbursements
MOR-1
January 2006

	Cash On Hand	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 500	\$ 500	\$ -

Dewey & Almy, LLC			
Schedule of Cash Receipts and Disbursements			
MOR-1			
January 2006			
		CURRENT MONTH	
	Miscellaneous	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION		-	
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

W. R. Grace & Co. - Conn

Bank Reconciliations

December, 2005

MOR-1

	First Union Payroll 2079900018741	First Union Petty Cash 2079900005800	Citic Bank Payroll 15502015736	First Union Libby Medical 2079900065006	First Union Accis Payable 2079920005761
Balance per books	\$ 11,272	\$ -	\$ -	\$ -	\$ -
Bank Balance		\$ -	\$ -	\$ -	\$ -
(+) Deposits in transit					
(-) Outstanding checks	(450,880)	(462)			(6,283,006)
Other	461,952	462			6,283,008
Adjusted bank balance	\$ 11,272	\$ -	\$ -	\$ -	\$ -
Deposits in Transit	Date Amount	Date Amount	Date Amount	Date Amount	Date Amount
Outstanding Checks	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount
	Detail Available	12586 (15)			Detail Available
		32048 (20)			
		32049 (1)			
		33960 (1)			
		34068 (50)			
		34243 (1)			
		37009 (88)			
		39027 (6)			
		39028 (33)			
		39029 (35)			
		39030 (26)			
		39031 (31)			
		39032 (55)			
		39033 (100)			
Other					
Transfers between bank accounts	461,952				
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					(33,928)
Unreconciled ledger activity		(3,580)			(1,333,982)
Reclass negative cash balance		4,042			7,650,916
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					

W. R. Grace & Co. - Conn

Bank Reconciliations

December, 2005

MOR-1

	First Union Payroll 2079900007554	Wachovia Lockbox 1866-0825356	First Union Accts payable 20799000005260	JP Morgan Chase Lockbox 304616494	Adfirst Payroll 16298631	
Balance per books	\$ -	\$ -	\$ -	\$ 108,882	\$ -	
Bank Balance	\$ -	\$ 1,825,089	\$ -	\$ 108,882	\$ -	
(+) Deposits in transit						
(-) Outstanding checks						
Other		(1,825,089)				
Adjusted bank balance	\$ -	\$ -	\$ -	\$ 108,882	\$ -	
Deposits in Transit	Date	Amount	Date	Amount	Date	Amount

	SunTrust Payroll 00000141309	FNCB Payroll 4002641360	Hibernia Nat Disbursement 101391210	Bank of America Payroll 0000000022137	Allfirst Payroll 16288857
Balance per books	\$ 45,246	\$ 24,447	\$ 10,000	\$ -	\$ -
Bank Balance	\$ 45,246	\$ 24,447	\$ 10,000	\$ -	\$ -
(+) Deposits in transit					
(-) Outstanding checks					
Other					
Adjusted bank balance	\$ 45,246	\$ 24,447	\$ 10,000	\$ -	\$ -
Deposits in transit	Date Amount	Date Amount	Date Amount	Date Amount	Date Amount
Outstanding Checks	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Reclass negative cash balance					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					

W. R. Grace & Co. - Conn
Bank Reconciliations
December, 2005
MOR-1

	First Union Petty Cash 2040000016900	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125863172	Banco de Interam de Finanzas 7000107847	Banco de Interam de Finanzas 70001077073332	
Balance per books	\$ 56,345	(Soles) 611	\$ 552,818	(Soles) 883	\$ 69,488	
Bank Balance	\$ 39,459	611	\$ 552,818	2,610	\$ 70,025	
(+) Deposits in transit				(1,747)	(537)	
(-) Outstanding checks	18,886					
Other						
Adjusted bank balance	\$ 56,345	(Soles) 611	\$ 552,818	(Soles) 883	\$ 69,488	
Deposits in Transit	Date	Amount	Date	Amount	Date	Amount
Outstanding Checks	CK #	Amount	CK #	Amount	CK #	Amount
					00002	(1,747)
					00008	(232)
					00007	(305)

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Remedium Group, Inc. Bank Reconciliations December, 2005 MOR-1				
	JP Morgan Chase Pass-Through 323883842		JP Morgan Chase Disbursement 601831985	
Balance per books	\$ (391)		\$ (624,317)	
Bank Balance	\$ -		\$ -	
(+) Deposits in transit				
(-) Outstanding checks			(624,317)	
Other	(391)			
Adjusted bank balance	\$ (391)		\$ (624,317)	
Deposits in transit	Date	Amount	Date	Amount
Outstanding Checks	Ck. #	Amount	Ck. #	Amount
			6640	(150)
			6735	(6,263)
			6762	(5,801)
			6797	(10,195)
			6824	(1,000)
			6833	(201)
			6864	(25)
			6865	(74)
			6867	(112)
			6868	(148)
			6889	(192)
			6871	(213)
			6876	(722)
			6877	(827)
			6878	(1,197)
			6879	(1,806)
			6886	(112)
			6887	(112)
			6889	(212)
			6890	(313)
			6892	(350)
			6896	(35)
			6897	(61)
			6898	(266)
			6899	(325)
			6900	(402)
			6901	(832)
			6902	(1,654)
			6903	(2,416)
			6904	(3,753)
			6905	(6,250)
			6906	(7,308)
			6907	(10,176)
			6908	(10,427)
			6909	(12,515)
			6910	(17,381)
			6911	(40,691)
			6912	(46,100)
			6913	(85,865)
			6914	(347,835)
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				
Unreconciled bank activity				
Unreconciled ledger activity		(391)		
Returned item adjustment				
Payroll activity in transit				
Petty cash funds				

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Darex Puerto Rico, Inc. Bank Reconciliations December, 2005 MOR-1		
	First Bank Operating Acct # 300153011	
Balance per books	\$	7,788,828
Bank Balance	\$	7,888,498
(+) Deposits in transit		68,258
(-) Outstanding checks		(184,577)
Other		18,447
Adjusted bank balance	\$	7,788,826
Deposits in Transit	Date	Am't
	12/28/05	65,357
	12/31/05	901
Outstanding Checks	Ck. #	Am't
	15461	(27)
	15904	(728)
	16971	(921)
	17225	(8,111)
	17288	(128,882)
	17901	(240)
	17985	(10,044)
	17972	(54)
	17992	(6,451)
	17991	(4,711)
	17990	(1,980)
	17993	(6,889)
	17994	(8,054)
	17989	(300)
	17988	(56)
	17996	(463)
	17999	(8,384)
	17997	(52)
	17998	(250)
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		
Unreconciled bank activity		18,447
Unreconciled ledger activity		
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

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W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2005

	W.R. Grace & Co. Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.
Net sales to third parties	\$ 74,492,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	44,801,604	-	-	-	-	-	-	-	-
Net sales to filing entities	261,746	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	708,069	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(6,575,051)	4,131,387	622,610	19,173	845,233	-	2,602,915	-	-
	113,688,396	4,131,387	622,610	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	57,822,267	-	(2,669)	-	-	-	-	-	-
Cost of goods sold to non-filing entities	37,622,502	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	189,844	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	(a) 28,839,652	-	6,247	-	-	288,653	-	-	-
Research and development expenses	3,375,122	-	-	-	-	-	-	-	-
Depreciation and amortization	4,324,926	-	2,086	-	-	-	-	-	-
Interest expense	5,043,678	-	-	-	-	-	-	-	-
Other expense (income)	(381,020)	-	-	-	-	-	-	-	-
	136,836,972	-	5,665	-	-	288,653	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(23,148,576)	4,131,387	616,946	19,173	845,233	(288,653)	2,602,915	-	-
Chapter 11 reorganization expenses, net	(1,138,579)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	6,220,190	(1,445,985)	(216,138)	(6,711)	(295,832)	404	(911,020)	(1,615)	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ (18,066,965)	\$ 2,685,402	\$ 400,808	\$ 12,462	\$ 549,401	\$ (288,249)	\$ 1,691,895	\$ (1,615)	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

(a) Amount includes \$2,488,434 of expenses for Grace's legal and indemnification costs related to the Libby indictment. \$1,624,421 of this amount relates specifically to the indemnification costs of the seven current and former employees under indictment.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2006

	Grace International Holdings, Inc.	Darax Puerto Rico, Inc.	Alawife Land Corporation	Alawife Boston, Ltd.	Five Alawife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
Net sales to third parties	\$ -	\$ 451,489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,302,981	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(1,646,299)	-	-	-	-	-	-	-	-
	(343,318)	451,489	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	228,884	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	32,373	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	90,167	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	83,383	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (Income)	(35,440)	-	-	-	-	-	-	-	-
	(35,440)	434,807	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(307,877)	16,681	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	111,434	(5,838)	-	-	-	-	-	-	-
Minority Interest in Income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ (196,444)	\$ 10,843	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2006

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern oil, Resin & Fiberglass, Inc.	Guanica- Caribe Land Development Corporation	Dewey & Army, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2006

	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.	W.R. Grace Land Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net (Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2006

	G.C. Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food 'N' Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2006

	Grace Ventures Corp.	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.	Coalgrace II, Inc.	Gracescoal II, Inc.	Gracoal, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2006

	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axtel Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	COMBINED FILING ENTITIES
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,943,517
Net sales to non-filing entities	-	-	-	-	-	-	-	44,801,604
Net sales to filing entities	-	-	-	-	-	(261,746)	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	2,011,050
Interest and royalties from filing entities, net	-	-	-	-	-	33	-	-
	-	-	-	-	-	(261,713)	-	121,756,171
Cost of goods sold to third parties	-	-	-	-	-	-	-	58,048,482
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	37,622,502
Cost of goods sold to filing entities	-	-	-	-	-	(222,217)	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	29,224,721
Research and development expenses	-	-	-	-	-	-	-	3,375,122
Depreciation and amortization	-	-	-	-	-	-	-	4,410,396
Interest expense	-	-	-	-	-	-	-	5,043,678
Other expense (income)	-	-	-	-	-	-	-	(416,460)
	-	-	-	-	-	(222,217)	-	137,308,441
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	(39,496)	-	(15,552,269)
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	(1,138,579)
(Provision for) benefit from Income taxes	-	-	-	-	-	-	-	3,448,889
Minority interest in Income of subsidiary	-	-	-	-	-	-	-	-
Equity in net Income of non-filing entities	-	-	-	-	-	-	13,233,222	13,233,222
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (39,496)	\$ 13,233,222	\$ (8,738)

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
January 31, 2006

	W.R. Grace & Co. Conn	W.R. Grace & Co.	Remedium Group, Inc	CCHP, Inc.	CC Partners	Grace Washington, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 223,283,365	\$ -	\$ (180,925)	\$ -	\$ -	\$ -
Accounts and other receivables, net	117,969,735	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	421,711,828	(412,930,588)	(25,865,395)	12,878,572	(67,800,812)	(11,271,322)
Inventories	79,487,757	-	-	-	-	-
Deferred income taxes	19,010,955	-	3,007,744	-	-	-
Other current assets	25,226,229	-	-	-	-	-
Total Current Assets	886,689,869	(412,930,588)	(23,038,576)	12,878,572	(67,800,812)	(11,271,322)
Properties and equipment, net	343,133,419	-	397,102	-	-	-
Goodwill	14,499,091	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	85,317,533	-	-	-	-	-
Deferred income taxes	1,034,281,870	-	23,958,341	-	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,492,707,328)	952,590,014	113,358,467	5,300,837	229,494,172	-
Investment in filing and non-filing entities	828,032,783	241,512,111	-	-	-	-
Other assets	78,225,224	-	-	-	-	-
Total Assets	\$ 2,277,472,459	\$ 781,171,536	\$ 114,675,334	\$ 18,179,409	\$ 161,693,361	\$ (11,271,322)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	77,399,402	-	235,918	-	-	-
Income taxes payable	269,415	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	118,055,600	-	3,870	-	-	1,328
Total Current Liabilities	195,724,417	-	239,788	-	-	1,328
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	296,515,898	-	-	-	-	-
Minority interest in consolidated affiliates	33,558,292	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	374,114,263	-	-	-	-	-
Total Liabilities Not Subject to Compromise	899,912,870	-	239,788	-	-	1,328
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	688,385,522	-	-	-	-	-
Accounts payable	30,712,793	-	665,607	-	-	-
Income taxes payable	45,056,348	52,797,179	(12,272,897)	237,417	10,940,492	(13,915)
Asbestos-related liability	1,700,000,000	-	-	-	-	-
Other liabilities	523,882,311	-	77,043,956	-	2,038,811	-
Total Liabilities Subject to Compromise	2,988,036,975	52,797,179	65,436,666	237,417	12,979,303	(13,915)
Total Liabilities	3,887,949,845	52,797,179	65,676,454	237,417	12,979,303	(12,587)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	83,968,960	783,037	12,223	1,000	-	1,000
Paid in capital	142,809,878	419,720,618	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(1,416,181,178)	427,545,457	39,262,208	(16,111,474)	92,702,481	(11,259,736)
Treasury stock, at cost	-	(119,674,855)	-	-	-	-
Accumulated other comprehensive loss	(421,075,045)	100	-	-	-	-
Deferred compensation trust	-	100	-	-	-	-
Total Shareholders' Equity (Deficit)	(1,610,477,385)	728,374,357	48,998,879	17,941,993	148,714,058	(11,258,736)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 2,277,472,459	\$ 781,171,536	\$ 114,675,334	\$ 18,179,409	\$ 161,693,361	\$ (11,271,322)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2006

	Litigation Management, Inc.	Grace Europe, Inc.	LCB Realty, Inc.	Grace International Holdings, Inc.	Danex Puerto Rico, Inc.	Alewife Land Corporation
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 8,005,286	\$ -
Accounts and other receivables, net	-	90,215	-	-	2,506,671	-
Receivables from/(payables to) filing and non-filing entities, net	(386,938,610)	5,633,727	140,524,854	(85,317,924)	(3,359,136)	(4,567,060)
Inventories	-	(0)	-	-	236,730	-
Deferred income taxes	-	83,801	-	-	6,448	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(386,938,610)	5,807,743	140,524,854	(85,317,924)	7,396,000	(4,567,060)
Properties and equipment, net	-	-	-	-	567,865	-
Goodwill	-	-	-	-	4,377,631	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	531,411,367	(3,278,837)	-	25,909,880	-	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Other assets	-	54,000	-	2,510,128	8,690,078	-
Total Assets	\$ 144,472,757	\$ 2,582,906	\$ 140,524,854	\$ 1,771,548	\$ 21,031,573	\$ (4,567,060)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	24,253	-	-	1,076,553	-
Income taxes payable	-	-	-	-	(269,147)	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	355,086	-	-	62,946	-
Total Current Liabilities	-	379,338	-	-	870,352	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	2,786,749	-	-
Minority interest in consolidated affiliates	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	379,339	-	2,786,749	870,352	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	133,907	-
Income taxes payable	33,707,236	(922,776)	(150)	(12,008,972)	2,813,487	(192,195)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	239,430	-	-	-	-
Total Liabilities Subject to Compromise	33,707,236	(683,346)	(150)	(12,008,972)	2,947,394	(192,195)
Total Liabilities	33,707,236	(304,007)	(150)	(9,222,223)	3,817,746	(192,195)
Shareholders' Equity (Deficit)						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	61,845,489	13,074,177	274,606
(Accumulated deficit)/Retained earnings	140,031,819	(485,068)	115,166,011	(95,085,502)	4,138,650	(4,649,671)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	3,370,982	-	44,232,784	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	110,765,521	2,886,913	140,525,004	10,993,771	17,213,827	(4,374,865)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 144,472,757	\$ 2,582,906	\$ 140,524,854	\$ 1,771,548	\$ 21,031,573	\$ (4,567,060)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
January 31, 2006

	Alewife Boston Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Starling Systems, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,580)	-	(57,817,172)	(110)	(330)	(23,021)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(2,143,580)	-	(57,817,172)	(110)	(330)	(23,021)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Other assets	-	-	-	-	-	-
Total Assets	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,988,556
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated affiliates	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(210)	-	-	(110)	(330)	(6,389)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(210)	-	-	(110)	(330)	(6,389)
Total Liabilities	(210)	-	-	(110)	(330)	(6,389)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,494,945
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	55,994,945
Total Liabilities and Shareholders' Equity (Deficit)	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,988,556

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2006

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 60,288	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(10,483)	(26,614,022)	57,347,191	(7,283,826)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	7,029	-	-	-	-	-
Total Current Assets	56,833	(26,614,022)	57,347,191	(7,283,826)	-	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	1,630,940	-	-	-	-	-
Total Assets	\$ 1,687,773	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated affiliates	551,649	5,000	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	551,649	5,000	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(10,023)	(195)	10,346,794	(230)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(10,023)	(195)	10,346,794	(230)	-	-
Total Liabilities	541,626	4,805	10,346,794	(230)	-	-
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	5,150	-	-
Paid in capital	1,164,954	859,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	(18,806)	(27,478,060)	43,427,950	(12,433,596)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	(99,212)	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	1,146,148	(26,618,827)	47,000,396	(7,283,596)	-	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 1,687,773	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
January 31, 2006

	Guernsey-Carbo Land Development Corporation	Dewey & Almy, LLC	PAF Bit & Tool Co. Inc.	Grace Tarpon Investors, Inc.	G.C. Limited Partners, L.P.	Monolith Enterprises, Incorporated
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
Total Current Liabilities	-	-	-	3	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated affiliates	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	3	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(110)	-	(110)	(560)	(560)	(450)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(110)	-	(110)	(560)	(560)	(450)
Total Liabilities	(110)	-	(110)	(557)	(560)	(450)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(10,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	5,824,394	(8,966)	(1,118,993)	10,284,682	890	(2,417,264)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
January 31, 2006

	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$(26,312,455)	\$(5,132,933)	\$(3,350,634)	\$(2,509,849)	\$840	\$(1,230,613)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated affiliates	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(818)	(110)	(210)	(110)	(30)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	-	(818)	(110)	(210)	(110)	(30)
Total Liabilities	-	(818)	(110)	(210)	(110)	(30)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(1,230,683)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(1,230,583)
Total Liabilities and Shareholders' Equity (Deficit)	\$(26,312,455)	\$(5,132,933)	\$(3,350,634)	\$(2,509,849)	\$840	\$(1,230,613)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
January 31, 2006

	W.R. Grace Land Corporation	G.O. Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	36,708,315	-	(73,061)	(12,559,518)	(264,688)	(19,464,242)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	36,708,315	-	(73,061)	(12,559,518)	(264,688)	(19,463,742)
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
Total Assets	\$ 42,993,121	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 173,757	\$ (19,459,676)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
Total Current Liabilities	-	-	-	-	199	4,066
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated affiliates	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	199	4,066
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(821)	-	(110)	(265)	(759)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(821)	-	(110)	(265)	(759)	-
Total Liabilities	(821)	-	(110)	(265)	(560)	4,066
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	-	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	42,993,942	-	(72,951)	(12,559,253)	174,317	(19,463,742)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 42,993,121	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 173,757	\$ (19,459,676)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
January 31, 2006

	Creative Food N- Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 23,478,717	\$ 6,345,361	\$ 810,265	\$ (59,581,637)	\$ (185)	\$ (86,721)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated affiliates	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(1,432)	(300)	(335)	(405)	(185)	(110)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(1,432)	(300)	(335)	(405)	(185)	(110)
Total Liabilities	(1,432)	(300)	(335)	(405)	(185)	(110)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	23,480,148	6,345,661	810,600	(59,581,232)	-	(86,611)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 23,478,717	\$ 6,345,361	\$ 810,265	\$ (59,581,637)	\$ (185)	\$ (86,721)

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